**Section 1090.70 Wetland Compensation Accounts**

a) The establishment of a wetland compensation account, the determination of a project's eligibility for use of an account, and the selection of wetland compensation account sites shall be approved by the Department in compliance with this Part. The consolidation of multiple small compensatory mitigation projects for adverse impacts to degraded wetlands allows for economies of scale in planning, implementation, and maintenance. Wetland compensation accounts are a form of compensatory mitigation that results in the establishment of large-scale wetland complexes that will be professionally managed and maintained in perpetuity for the benefit of the general public.

b) Management of a wetland compensation account shall include both operation and maintenance of individual wetland sites and a system of accounting to establish account credits and debits. Credits and debits shall be the currency of the account and shall be measured in either replacement area, quantified wetland functions or dollar value by wetland type. The unit of measure shall be standard for all wetland compensation accounts.

1) The Department shall make a formal determination of all credits and debits to the wetland compensation account.

2) Perpetual maintenance of a replacement wetland is the responsibility of the agency or applicant implementing a wetland compensation plan. This responsibility shall be transferred to the unit responsible for managing the wetland compensation site(s). The minimum dollar value of a credit or debit shall be based upon the factors listed in Section 1090.50(c)(8) of this Part.

c) The Department shall make a formal determination of compensation account credits that have been generated and are available for use at each wetland compensation account site. This formal determination is known as credit certification. Credit certification shall be based upon units within a compensation account site meeting defined performance standards. Account credits shall be placed into one of the 3 following categories:

1) Certified credit – A credit that meets all performance standards;

2) Conditionally certified credit – A credit that shows reasonable progress towards becoming a certified credit; or

3) Uncertified credit – Credit that is anticipated to become a certified credit as part of a planned wetland compensation account site but which does not meet the performance standards for either a certified or conditionally certified credit. Uncertified credits are used to anticipate the amount and availability of future certified credits.

d) Wetland compensation accounts are a means of establishing wetlands and generating compensation account credits in advance of adverse wetland impacts from a specific project. An agency or applicant must request approval from the Department in order to use uncertified credits at an individual wetland compensation site. The Department shall consider this request and shall only approve the use of up to 30% of the total anticipated certified credits of an individual wetland compensation site. Use of uncertified credits shall be limited to circumstances where the agency has no practicable alternative for developing an individual wetland compensation site and in which it would serve the best interest of the wetland resource.

e) Preservation of wetlands shall be considered for wetland compensation account credit only in exceptional circumstances such as an existing wetland of extremely high functional value, where incorporation of the wetland into the compensation account further enhances or protect its natural resource value, and where the existing wetland comprises less than 50% of the wetland compensation account site.

f) Compensation account sites are an aggregation of multiple wetland compensation projects and are generally larger in size than individual wetland compensation projects. Therefore these areas shall be held to a higher performance standard than individual wetland compensation projects.

g) An established wetland compensation account site must be dedicated to maintaining the designated wetland functions and values to the exclusion of other conflicting uses.

h) In cooperation with the Interagency Wetland Committee, the Department shall develop guidelines and policies for the establishment, implementation, and management of wetland compensation accounts that are compatible with federal policies on wetland mitigation banking.

i) In cooperation with the Interagency Wetland Committee, the Department shall develop a statewide plan for the establishment of a wetland compensation accounting (mitigation banking) system. The development of all compensation accounting sites shall be compatible with the goals of this plan.